

**NOTICE OF PROPOSED RULEMAKING**  
**MARICOPA COUNTY AIR POLLUTION CONTROL REGULATIONS**  
**RULE 280 – FEES**

**PREAMBLE**

**1. Rule Affected**

Rule 280

**Rulemaking Action**

Amend

**2. Statutory authority for the rulemaking:**

Authorizing statutes: A.R.S. §§ 49-402, 49-473(B), 49-476.01(A), 49-476.01(C), 49-479, 11-251.08(A)

Implementing statutes: A.R.S. §§ 49-480(D), 49-480(E), 49-480(J), 49-112(A), 49-112(B), 11-251.08(B)

**3. List of all previous notices appearing in the register addressing the proposed rule:**

Notice of Docket Opening: 13 A.A.R. 3373, October 5, 2007

**4. Name and address of department personnel with whom persons may communicate regarding the rulemaking:**

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**5. Explanation of the rule, including the department's reasons for initiating the rule:**

Summary: The Maricopa County Air Quality Department (MCAQD) is proposing to change the fees it charges to owners and operators of sources of air pollution. The fees that would be affected are fees for billable permit actions, annual administrative fees for Title V and Non-Title V sources, emissions-based fees for Title V sources, general permit application and annual administrative fees, gasoline delivery vessel fees, dust control permit fees, and asbestos notification and plan review filing fees. Maricopa County is also proposing new fees for a subcontractor registration program, for dust control training, for hazardous air pollutants Tier 4 risk management analyses, and for air curtain destructor burn plan notification and inspection. Maricopa County is proposing to add a Title V source category,

Air Curtain Destructors, based on a federal rulemaking and consistent with the Arizona Department of Environmental Quality (ADEQ) proposed fees.

Background: The need for permit fees is based on the County's mandate to comply with state law and the federal Clean Air Act. The County is required to develop and implement a permit program in which fees paid by sources will support program development and implementation costs. The program fee requirement is statutorily mandated by Arizona Revised Statutes (A.R.S.) § 49-480(D)(1) and (D)(2). A.R.S. § 49-480(D)(1) requires the County to establish a fee system for Title V sources that is consistent with and equivalent to that prescribed under § 502 of the Clean Air Act (CAA). A.R.S. § 49-480(D)(2) requires the County to determine a permit fee for non-Title V sources based on all reasonable direct and indirect costs required to administer the permit, but not to exceed twenty-five thousand dollars. Furthermore, A.R.S. § 49-480(D)(2) requires the County to establish an annual inspection fee, not to exceed the average cost of services. Arizona law and the CAA, both provide for increasing permit fees based on the consumer price index. The proposed revisions to Rule 280 conform to these mandates.

A complication to County rulemaking authority relates to a statutory provision that links county permit fees to those that the Arizona Department of Environmental Quality (ADEQ) sets. A.R.S. § 49-112 was added by the legislature in 1994, placing limits on county environmental rules. Subsection (B) limits the amount the counties may charge for their permit fees to an amount "approximately equal or less than" the fee the state program may charge. "Approximately equal" is defined in A.R.S. § 49-101 as "not greater than ten percent more than the fees or costs charged by the state for similar state permits or approvals." A small number of sources regulated by Maricopa County fall under A.R.S. 49-112(B).

In May 2005, the Maricopa County Board of Supervisors approved new fees based on a January 2005 fee study conducted by Deloitte Consulting that concluded fee increases were necessary to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law. The fee model developed by Deloitte Consulting calculated the Department's direct and indirect costs for each of the fees charged. The fee model is a series of Microsoft Excel workbooks with an input area for budgeted cost. The budgeted costs are allocated to the different fee categories in each activity based on workload. Indirect costs include departmental and divisional overhead and are allocated to the budgeted cost of the different activities. The fee model developed rates to recover the total costs of each activity, including overhead. The fee model also included additional expenses necessary to achieve projected fiscal year 2006 outputs and results as well as adjustment factors such as salary and benefit increases, increased staffing, vacancy factors, and increased rental costs and changes in space.

Two events in 2004 increased costs and led to the conclusion that fee increases were necessary. First, the approval of 19 additional full-time equivalent positions to work proactively and directly on compliance and enforcement of the dust control program to address, in part, Environmental Protection Agency's (EPA's) July 2, 2002, state implementation plan inadequacy finding (67 FR 44369). Second, creation of the Maricopa County Air Quality Department which separated air quality functions from the Environmental Services Department.

In 2007, the EPA found that the Phoenix nonattainment area failed to attain the 24-hour PM<sub>10</sub> national ambient air quality standard by the required attainment date of December 31, 2006. Due to the failure to attain the PM<sub>10</sub> standard there is now a mandate to reduce emissions by five percent per year until the nonattainment area reaches the standard. On May 23, 2007, the Maricopa Association of Governments (MAG) Regional Council approved a suggested list of 55 measures to reduce PM<sub>10</sub>. Maricopa County was listed as a potential implementing entity on 45 of the 55 measures. As a result, the MCAQD reviewed the measures and drafted commitments to implement 38 of the measures. On September 10, 2007, the Maricopa County Board of Supervisors approved Maricopa County's commitments for the MAG 2007 Five Percent Plan.

Four of the commitments adopted by Maricopa County will result in increased staffing levels and have a direct impact on fees. These commitments are listed below:

1. Dust Control Training Program – Maricopa County will develop and implement training programs for the suppression of PM<sub>10</sub> emissions from permitted sources of PM<sub>10</sub> and hire four additional FTEs to coordinate and conduct the training programs. Annual costs associated with dust control training include personnel, training materials, database costs, and room rental.
2. Subcontractor Registration Program – Maricopa County will establish a subcontractor registration program and hire four additional FTEs to administer the registration program. Annual costs associated with the subcontractor registration program include personnel and database costs.
3. Increased Number of Proactive Inspections at Rule 310 and Rule 316 permitted facilities – Maricopa County will hire 52 additional FTEs (compliance inspectors, supervisors, and support staff) to support an increased number of proactive inspections at Rule 310 and Rule 316 permitted facilities.
4. Mobile Air Monitoring Program – Maricopa County will develop a comprehensive mobile air monitoring program that can test for a broad spectrum of ambient air pollutants and hire three engineers to administer the program.

Additionally, the MCAQD reviewed the workload associated with stationary source and asbestos/NESHAP compliance and determined that additional resources were needed. As a result, the MCAQD will seek approval to hire seven FTEs to support stationary source and asbestos/NESHAP compliance.

Lastly, the MCAQD will seek approval to hire seven FTEs to support the Department's administrative services divisions, and one FTE to support management of the dust control permit compliance program.

Maricopa County updated the fee model, developed by Deloitte Consulting, with current source numbers and updated workload based on the Five Percent Plan commitments and other department compliance activities. The budgeted costs were allocated to the different fee categories delineated in Rule 280 based on workload. Indirect costs include departmental and divisional overhead and were allocated to the budgeted cost of the different activities. The fee model developed rates to recover the total costs of each activity, including overhead.

Based on additional resource needs, the MCAQD estimates annual air quality department expenditures to be approximately \$22.7 million. This includes the annual cost of new full-time equivalents (FTEs) and information technology costs of \$7.6 million. The MCAQD estimates that annual revenue with proposed fee increases will be approximately \$22.7 million of which \$14.8 million (65%) is attributed to fees and \$7.8 million comes from other sources of revenue.

#### **Section by Section Explanation of Changes:**

##### **Section 301 Title V Permit Fees, 301.1 Fees for Billable Permit Actions:**

The amendments proposed in this section would make several changes to the rule. First, the rule revision would raise the permit processing fee base from \$108.00 (the 2008 CPI-adjusted fee is \$118.30) to \$133.50 per hour for all permit processing time required for a billable permit action. Second, an owner or operator would be required to pay the actual costs of public notice conducted according to Rule 210, including costs incurred by the Control Officer to publish public hearing notice(s) in the newspaper(s), to hire a hearing officer, to hire transcription or court reporting services, and to rent meeting room space.

##### **Section 301 Title V Permit Fees, 301.2 Annual Fees:**

The amendments proposed in this Section would make several changes to the rule. First, the rule revision would raise the emissions-based fee from \$13.24 (the 2008 CPI-adjusted fee is \$14.51) to \$38.25. Second, annual administrative fees would be raised as shown below. Third, Air Curtain Destructors would be added to the list of sources paying Title V annual administrative fees. The

addition of this source category reflects an amendment to the Federal New Source Performance Standards published December 16, 2005, at 70 FR 74896, and is consistent with amendments proposed by the ADEQ in Arizona Administrative Code (A.A.C.) R18-2-326.

<b>Title V Source Category</b>	<b>Annual Administrative Fee</b>
Aerospace	<del>\$13,580</del> <u>\$18,320</u>
<u>Air Curtain Destructor</u>	<u>\$840</u>
Cement Plants	<del>\$44,520</del> <u>\$68,590</u>
Combustion/Boilers	<del>\$10,820</del> <u>\$16,680</u>
Compressor Stations	<del>\$9,420</del> <u>\$13,630</u>
Expandable Foam	<del>\$9,960</del> <u>\$14,800</u>
Landfills	<del>\$11,800</del> <u>\$18,140</u>
Lime Plants	<del>\$41,700</del> <u>\$64,790</u>
Copper & Nickel Mines	<del>\$10,480</del> <u>\$16,150</u>
Gold Mines	<del>\$10,480</del> <u>\$16,150</u>
Paper Mills	<del>\$14,310</del> <u>\$22,060</u>
Petroleum Products Terminal Facilities	<del>\$17,480</del> <u>\$25,800</u>
Polymeric Fabric Coaters	<del>\$11,560</del> <u>\$18,140</u>
Reinforced Plastics	<del>\$9,040</del> <u>\$13,630</u>
Semiconductor Fabrication	<del>\$18,830</del> <u>\$29,010</u>
Copper Smelters	<del>\$44,520</del> <u>\$68,590</u>
Utilities – Primary Fuel Natural Gas	<del>\$8,450</del> <u>\$9,500</u> + <del>\$15,130</del> <u>\$16,480</u> per turbine installed/ modified after May 10, 1996 and subject to annual source testing or CEM RATA* certifications
Utilities – Fossil Fuel Except Natural Gas	<del>\$22,760</del> <u>\$35,080</u>
Vitamin/Pharmaceutical Manufacturing	<del>\$11,050</del> <u>\$17,020</u>
Wood Furniture	<del>\$9,820</del> <u>\$15,010</u>
Others	<del>\$12,250</del> <u>\$18,130</u>
Others with Continuous Emissions Monitoring	<del>\$14,320</del> <u>\$22,070</u>

\* Continuous emissions monitoring relative accuracy test audit (CEM RATA)

### **Section 302 Non-Title V Permit Fees, 302.1 Fees for Billable Permit Actions:**

The amendments proposed in this section would make several changes to the rule. First, the rule revision would raise the permit processing fee base from \$108.00 (the 2008 CPI-adjusted fee is \$118.30) to \$133.50 per hour for all permit processing time required for a billable permit action. Second, an owner or operator would be required to pay the actual costs of public notice conducted according to Rule 220, including costs incurred by the Control Officer to publish public hearing notice(s) in the newspaper(s), to hire a hearing officer, to hire transcription or court reporting services, and to rent meeting room space.

**Section 302 Non-Title V Permit Fees, 302.2 Annual Administrative Fees:**

The proposed amendments would raise Non-Title V annual administrative fees as shown below and add two new fee table categories (Table H and Table I) and applicable annual administrative fees:

<b>Fee Table</b> Source categories designated as Fee Tables A–G are listed in Sections 403.1–403.7 of this rule	<b>Annual Administrative Fee</b>
Sources listed in Fee Table A (see Section 403.1)	<del>\$5,880</del> <u>\$5,980</u>
Sources listed in Fee Table B (see Section 403.2)	<del>\$1,660</del> <u>\$1,550</u>
Sources listed in Fee Tables C – D (see Section 403.3 and 403.4)	<del>\$520</del> <u>\$610</u>
Sources listed in Fee Table E (see Section 403.5)	<del>\$370</del> <u>\$320</u>
Sources listed in Fee Table F (see Section 403.6)	<del>\$7,380</del> <u>\$7,940</u>
Sources listed in Fee Table G (see Section 403.7)	<del>\$4,780</del> <u>\$4,790</u>
<u>Sources listed in Fee Table H (see Section 403.8)</u>	<u>\$7,940</u>
<u>Sources listed in Fee Table I (see Section 403.9)</u>	<u>\$4,790</u>

**Section 303 General Permit Fees, 303.1 Fees Due With an Application:**

These proposed amendments would raise the application fee for a general permit as shown below and add two new fee table categories (Table H and I) and applicable application fees:

<b>Fee Table</b> Source categories designated as Fee Tables A–G are listed in Sections 403.1–403.7 of this rule	<b>Application Fee</b>
Title V General Permits	Fee from Section 301.1(a) table for Title V source category
Sources listed in Fee Table A (see Section 403.1)	<del>\$3,580</del> <u>\$4,870</u>
Sources listed in Fee Table B (see Section 403.2)	<del>\$1,190</del> <u>\$3,250</u>
Sources listed in Fee Table C – D (see Section 403.3 and 403.4)	<del>\$380</del> <u>\$320</u>
Sources listed in Fee Table E (see Section 403.5)	<del>\$290</del> <u>\$240</u>
Sources listed in Fee Table F (see Section 403.6)	<del>\$6,200</del> <u>\$6,970</u>
Sources listed in Fee Table G (see Section 403.7)	<del>\$4,030</del> <u>\$4,170</u>
<u>Sources listed in Fee Table H (see Section 403.8)</u>	<u>\$6,970</u>
<u>Sources listed in Fee Table I (see Section 403.9)</u>	<u>\$4,170</u>

**Section 303 General Permit Fees, 303.2 Annual Administrative Fee:**

These proposed amendments in this section would raise the annual administrative fee for general permits as shown below and add two new fee table categories (Table H and I) and applicable annual administrative fees:

<b>Fee Table</b> Source categories designated as Fee Tables A–G are listed in Sections 403.1–403.7 of this rule	<b>Annual Administrative Fee</b>
Title V General Permits	Fee from Section 301.2(a) table for Title V source category
Sources listed in Fee Table A (see Section 403.1)	<del>\$3,580</del> <u>\$4,870</u>
Sources listed in Fee Table B (see Section 403.2)	<del>\$1,190</del> <u>\$3,250</u>
Sources listed in Fee Tables C – D (see Sections 403.3 and 403.4)	<del>\$380</del> <u>\$320</u>
Sources listed in Fee Table E (see Section 403.5)	<del>\$290</del> <u>\$240</u>

Sources listed in Fee Table F (see Section 403.6)	<del>\$6,200</del> <u>\$6,970</u>
Sources listed in Fee Table G (see Section 403.7)	<del>\$4,030</del> <u>\$4,170</u>
Sources listed in Fee Table H (see Section 403.8)	<u>\$6,970</u>
Sources listed in Fee Table I (see Section 403.9)	<u>\$4,170</u>

#### **Section 304 Annual Adjustments of Fees:**

The amendments proposed in this section would update the first year that the fees will be adjusted by the Consumer Price Index (CPI) to January 1, 2009 (from January 1, 2006) and update the base year that will be used to adjust the CPI to 2008 (from 2004).

#### **Section 308 Gasoline Deliver Vessel Decal Fee:**

This proposed amendment would add a replacement decal fee of \$80.00.

#### **Section 309 Permit to Burn Fee:**

The amendments proposed in this section would make several changes to the rule. First, the section title would be revised to open burn fee (from permit to burn fee). Second, two separate sections are being established for burn permit fees (Section 309.1) and air curtain destructor burn plan review and inspection fees (Section 309.2). Third, the \$350.00 permit to burn fee for air curtain destructors is being moved from Section 309.1 to the newly created section 309.2 as an air curtain destructor burn plan review and inspection fee. The \$350.00 air curtain destructor burn plan review and inspection fee will be required to be paid by any person required to file an air curtain destructor burn plan under the provisions of Rule 314.

#### **Section 310 Dust Control Permit Fee:**

The amendments proposed in this section would make several changes to the rule. First, the rule revisions would add provisions for dust control permit fee refunds if a dust control permit is cancelled by the permittee before commencing any dust generating operations and stipulates that no dust control permit refund shall be given after commencing any dust generating operations. Second, the rule revisions would raise the dust control permit fee as shown below:

<b>Total Surface Area Disturbed</b>	<b>Fee</b>
Annual Block Permit fee	\$2,000.00
0.1 to less than one acre	<del>\$150.00</del> <u>\$350.00</u>
One acre or greater	<del>\$36.00 per acre plus \$150.00</del> <u>\$77.00 per acre plus \$350.00</u>

#### **New Section 311 Dust Control Training Class Fee:**

The amendments proposed in this section would add two new fees for dust control training classes. First, a person required to complete basic dust control training would pay a training class fee of \$50.00. Second, a person required to complete comprehensive dust control training would pay a training class fee of \$125.00. These new fees are a result of new training requirements proposed in Rule 310 to comply with Senate Bill (SB) 1552. The amendments proposed in this section would also add a

reduced dust control training fee of \$35.00 per person for basic dust control training and \$100.00 per person for comprehensive dust control training for requests that provide for (1) training room space and (2) a minimum of 10 and maximum of 30 class participants.

**New Section 312 Subcontractor Registration Fee:**

The amendments proposed in this section would add a new annual fee of \$50 for a person required to register with the Control Officer under Rule 200 Section 306 of these rules and wishing to obtain a registration number. This new fee is a result of new subcontractor registration requirements proposed in Rule 200 to comply with SB 1552.

**Re-Numbered Section 313 Asbestos Notification and Plan Review Filing Fees, 313.1 Renovation:**

The amendments proposed in this section would establish a nonrefundable sliding scale fixed notification and plan review filing fee for any person required to file a notification, under the provisions of Rule 370 of these rules, of a project to renovate regulated asbestos-containing materials (RACM). The renovation fee would be based on the amount of RACM removed as shown in the table below. If materials are reported on the notification in more than one category, the higher fee would apply.

<b>Amount of Regulated Asbestos Containing Materials (RACM) Removed</b>			<b>Fee*</b>
<b>Linear Feet</b>	<b>Square Feet</b>	<b>Cubic Feet</b>	
0 – 259	0 – 159	0 – 34	\$0
260 – 499	160 – 499	35 – 109	\$200
500 – 999	500 – 999	110 – 218	\$350
1,000 – 2,499	1,000 – 2,499	219 – 547	\$800
2,500 – 4,999	2,500 – 4,999	548 – 1,094	\$1,500
5,000 – 9,999	5,000 – 9,999	1,095 – 2,188	\$3,100
10,000 – 14,999	10,000 – 14,999	2,189 – 4,499	\$6,200
15,000 or more	15,000 or more	4,500 or more	\$7,500
*If materials are reported on the notification in more than one category, the highest fee will apply.			

**Re-Numbered Section 313 Asbestos Notification and Plan Review Filing Fees, 313.2 Demolition:**

The amendments proposed in this section would establish a nonrefundable sliding scale fixed notification and plan review filing fee for any person required to file a notification, under the provisions of Rule 370 of these rules, of a project to demolish a facility. The demolition fee would be based on building size (building size floor area multiplied by the number of floors affected) in square feet as shown below:

<b>Building Size (square feet)</b>	<b>Fee</b>
0 – 999	\$150
1,000 – 2,499	\$300
2,500 – 4,999	\$450
5,000 or more	\$525



**Re-Numbered Section 313 Asbestos Notification and Plan Review Filing Fees, 313.3 – 313.5:**

The amendments proposed in these sections would make several changes to the rule. First, the rule revisions would stipulate for projects involving renovation and demolition activities in a single notification, separate fees for each activity will apply according to section 313.1 and 313.2 of this rule. Second, the amendments proposed would stipulate that a revision to a notification involving an increase in the RACM or building size will require the difference between the fee for the original RACM or building size and the revised RACM or building size to be paid. Third, the amendments proposed would add a nonrefundable notification and plan review filing fee of \$1,250 for annual notifications of planned renovation operations involving individual nonscheduled operations to renovate RACM.

**New Section 320 Hazardous Air Pollutants Tier 4 Risk Management Analysis Fee:**

The amendment proposed in this section would establish a fee if an applicant for a permit uses the Tier 4 method to conduct a Risk Management Analysis (RMA) under Rule 372 of these rules. The applicant would be required to pay all fees incurred by the Control Officer for contracting, hiring, or supervising the work of outside consultants.

**Section 400 Administrative Requirements, 401 Effective Date of Fees:**

The effective date for the revised fees, except for the emission fee, is proposed to become effective April 1, 2008. The revised emissions fee is proposed to become effective January 1, 2009, beginning with the emissions reported for calendar year 2008.

**Section 403 Fee Table A, B, C, D, E, F, G , H, and I Sources:**

The amendments proposed in these sections would make several changes to the rule. First, the amendments proposed would establish two new fee tables, Fee Table H and I. Fee Table H and I source categories are defined in new Sections 403.8 and 403.9 of the rule, respectively. The new Fee Table H includes two source categories previously contained in Fee Table F. The new Fee Table I includes one source category previously contained in Fee Table G. This revision is being proposed to improve revenue tracking for source categories with increased inspection frequencies. The rule revisions would establish the same fee for Table H and F sources and the same fee for Table G and I sources. The sources specifically affected by the proposed new fee categories are shown below:

**Source Categories Reclassified from Table F to Table H:**

- Semiconductor Manufacturing Greater Than Or Equal To 25 Tons Per Year Potential  
Uncontrolled VOC Emissions Or Facility With Controls Subject To Source Testing

- Any Fee Table A Or G Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action

**Source Categories Reclassified from Table G to Table I:**

Any Fee Table B Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action

Second, the proposed amendments replace the following mathematical symbols with text:

- Replaces " $\leq$ " with "Less Than Or Equal To"
- Replaces " $\geq$ " with "Greater Than Or Equal To"
- Replaces "<" with "Less Than"
- Replaces ">" with "Greater Than"

Third, the proposed amendments modify the following Fee Table B source categories:

- Revises "Bakery With Oven Of 25 Tons Per Year Or Potential Uncontrolled VOC Emissions Or Facility With Controls" to "Bakery With Oven Of Greater Than Or Equal To 25 Tons Per Year Or Potential Uncontrolled VOC Emissions Or Facility With Controls"
- Revises "Any Fee Table A, F, or G Source Whose Aggregate of All Equipment, Processes Or Production Lines Has Enforceable Permit Limits of < 2.0 Tons Per Year VOC or NO<sub>x</sub>, or < 1.0 Ton Per Year PM<sub>10</sub>" to "Any Fee Table A, F, or G Source Whose Aggregate Of All Equipment, Processes Or Production Lines Has Enforceable Permit Limits of Less Than 2.0 Tons Per Year VOC Or NO<sub>x</sub>, And Less Than 1.0 Ton Per Year PM<sub>10</sub>"

**6. Demonstration of compliance with A.R.S. § 49-112:**

Based on information and belief, the Control Officer of the Maricopa County Air Quality Department affirms the following:

A. Maricopa County is in compliance with A.R.S. § 49-112(A) in that the MCAQD is proposing to adopt revisions to fees that fund programs implementing control measures included or proposed for inclusion in the State Implementation Plan (SIP) for the Maricopa County Nonattainment Area.

A.R.S. § 49-112(A) authorizes the County to promulgate rules that are more stringent than state requirements if the following conditions are met:

1. The rule, ordinance or other regulation is necessary to address a peculiar local condition.

2. There is credible evidence that the rule, ordinance or other regulation is either:
  - (a) Necessary to prevent a significant threat to public health or the environment that results from a peculiar local condition and is technically and economically feasible.
  - (b) Required under a federal statute or regulation, or authorized pursuant to an intergovernmental agreement with the federal government to enforce federal statutes or regulations if the county rule, ordinance or other regulation is equivalent to federal statutes or regulations.

The MCAQD believes that Rule 280 meets the requirements of A.R.S. § 49-112(A)(1) and (2)(b). Rule 280 meets A.R.S. § 49-112(A)(1), necessary to address a peculiar local condition, in that Maricopa County fails to meet the National Ambient Air Quality Standards for both ozone and particulates. Maricopa County is the only ozone nonattainment area in Arizona and the only area designated serious for PM<sub>10</sub> in Arizona.

In June 2007, EPA found that the Phoenix Nonattainment Area did not attain the 24-hour PM<sub>10</sub> standard by the deadline mandated in the Clean Air Act (CAA), December 31, 2006 (72 FR 31183, June 6, 2007). Consequently stronger regulations must be adopted in this area to address a serious health threat. Under Section 189(d) of the CAA, serious PM<sub>10</sub> nonattainment areas that fail to attain are required to submit within 12 months of the applicable attainment date, “plan revisions which provide for attainment of the PM<sub>10</sub> air quality standard and, from the date of such submission until attainment, for an annual reduction in PM<sub>10</sub> or PM<sub>10</sub> precursor emissions within the area of not less than 5 percent of the amount of such emissions as reported in the most recent inventory prepared for such area.” In accordance with the CAA section 179(d)(3), the attainment deadline applicable to an area that misses the serious area attainment date is as soon as practicable. The region needs to submit to a Five Percent Plan for PM<sub>10</sub> by December 31, 2007. The Phoenix Nonattainment Area is one of three areas in the entire country for which EPA has issued a finding that Section 189(d) has been triggered. Because of this, the revision complies with A.R.S. §49-112 (A)(1) and A.R.S. §49-112 (A)(2)(b).

Rule 280 also meets the requirements of A.R.S. § 49-112 (A)(2)(b), required under a federal statute or regulation, or authorized pursuant to an intergovernmental agreement, in that the federal Clean Air Act § § 161, 165, 173, and 502 require state and local governments that have jurisdiction over stationary sources to adopt permitting programs for new source review, prevention of significant deterioration, and Title V operating permits. Maricopa County's rules for these programs are substantially identical to procedures for the review, issuance, revision and administration of permits issued by the State. However, Maricopa County's rules and procedures contain requirements specific to nonattainment area status, increment consumption analysis and impacts on nearby nonattainment areas. These requirements result in permit conditions that address the source's proximity to the PM<sub>10</sub> and ozone

nonattainment areas and specific atmospheric and geographical conditions found at the source's location.

Section 502(b)(3)(A) of the Clean Air Act also requires that all sources required to obtain a permit under Title V pay an annual fee sufficient to recover all reasonable (direct and indirect) costs required to develop and administer the permit program. The section specifically mentions that reasonable costs include implementing and enforcing permit terms and conditions; emissions and ambient monitoring; preparing generally applicable regulations, or guidance; modeling, analyses, and demonstrations; and preparing inventories and tracking emissions. 40 CFR 70.9(b)(1) requires permit programs to establish a fee schedule that results in the collection and retention of sufficient revenues to cover permit program costs.

B. Maricopa County is in compliance with A.R.S. § 49-112(B) in that Maricopa County Air Quality Department is proposing to adopt rules that are as stringent as a provision of A.R.S. Title 49 or rules adopted by the Director of ADEQ or any Board or Commission authorized to adopt rules pursuant to A.R.S. Title 49. The cost of obtaining permits or other approvals from Maricopa County will approximately equal or be less than the fee or cost of obtaining similar permits or approvals under Title 49 or any rule adopted pursuant to Title 49 for sources not covered by rules that fall under paragraph A.

**7. Reference to any study relevant to the rule that the department reviewed and either proposes to rely on in its evaluation of or justification for the rule or proposes not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

Deloitte Consulting LLP Fee Analysis, February 2005

Deloitte Consulting LLP Fee Analysis - Modified, November 1, 2007

**8. Showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

**9. Summary of the economic, small business, and consumer impact:**

**A. Rule Identification**

This rulemaking amends Maricopa County Air Pollution Control Regulations Rule 280 "Fees".

**B. Executive Summary**

The goal of this rulemaking is to increase fees to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law. Maricopa County's commitments for the MAG 2007 Five Percent Plan will result in increased staffing levels and have a

direct impact on fees. Additionally, the MCAQD determined that additional resources were needed to support stationary source and asbestos/NESHAP compliance.

The incremental cost to the regulated community is represented by the change in costs for the following programs:

- Title V and Non-Title permits
- Dust control permits
- Asbestos/NESHAP notifications
- Subcontractor registrations
- Dust control training

Regulated sources in Maricopa County are expected to generate approximately \$14.8 million in annual fee revenues. The MCAQD's annual expenditures attributed to fee-based activities are estimated to be \$14.8 million.

The proposed changes would become effective on April 1, 2008.

### **C. Background**

In 2004, Maricopa County Air Quality Department promulgated a rulemaking that revised the air quality permit fees and anticipated that these changes would provide adequate revenues to operate its air pollution program. A permit-fee rule is statutorily mandated providing for fees paid by sources to support the permit program development and implementation costs [A.R.S §§ 49-480(D)(1) and (D)(2)]. The new fee structure was effective July 1, 2005. However, on June 6, 2007, the EPA found that the Phoenix nonattainment area failed to attain the 24-hour PM<sub>10</sub> national ambient air quality standard by the required attainment date of December 31, 2006. Due to the failure to attain the PM<sub>10</sub> standard there now is a mandate to reduce emissions by five percent per year until the nonattainment area reaches the standard. On May 23, 2007, the Maricopa Association of Governments (MAG) Regional Council approved a suggested list of 55 measures to reduce PM<sub>10</sub>. Maricopa County was listed as a potential implementing entity on 45 of the 55 measures. As a result, the MCAQD reviewed the measures and drafted commitments to implement 38 of the measures. On September 10, 2007, the Maricopa County Board of Supervisors approved Maricopa County's commitments for the MAG 2007 Five Percent Plan.

Four of the commitments adopted by Maricopa County will result in increased staffing levels and have a direct impact on fees. These commitments are listed below. The Five Percent Plan commitments also include 23 additional FTEs to support the vacant lot and parking lot programs and the

Department's enforcement division. These FTEs are will not have an impact of fees and are funded by other revenue sources.

1. Dust Control Training Program – Maricopa County will develop and implement training programs for the suppression of PM<sub>10</sub> emissions from permitted sources of PM<sub>10</sub> and hire four additional FTEs to coordinate and conduct the training programs. Annual costs associated with dust control training include personnel, training materials, database costs, and room rental.

2. Subcontractor Registration Program – Maricopa County will establish a subcontractor registration program and hire four additional FTEs to administer the registration program. Annual costs associated with the subcontractor registration program include personnel and database costs.

3. Increased Number of Proactive Inspections at Rule 310 and Rule 316 permitted facilities – Maricopa County will hire 52 additional FTEs (compliance inspectors, supervisors, and support staff) to support an increased number of proactive inspections at Rule 310 and Rule 316 permitted facilities.

4. Mobile Air Monitoring Program – Maricopa County will develop a comprehensive mobile air monitoring program that can test for a broad spectrum of ambient air pollutants and hire three engineers to administer the program.

Additionally, the MCAQD reviewed the workload associated with stationary source and asbestos/NESHAP compliance and determined that additional resources were needed. As a result, the MCAQD will seek approval to hire seven FTEs to support stationary source and asbestos/NESHAP compliance.

Lastly, the MCAQD will seek approval to seven FTEs to support the Department's administrative services divisions, and one FTE to support management of the dust control permit compliance program.

Maricopa County updated the fee model, developed by Deloitte Consulting, with current costs, source numbers, updated workload based on the Five Percent Plan commitments and other department compliance activities. Costs (including departmental and divisional overhead) were allocated to the different fee categories in each activity based on workload. The fee model developed rates to recover the total costs of each activity, including overhead. Resources needed to address Maricopa County's commitments in the Five Percent Plan and compliance programs will significantly increase costs in the near term and the Department has concluded that fee increases are necessary to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law.

In fiscal year 2007, Maricopa County's air quality fee revenue was approximately \$8.7 million and other revenue (including grants, fund balance appropriations, and interest) was approximately \$7.5 million (see Table 2 below). Based on additional resource needs, the MCAQD estimates annual air quality department expenditures to be approximately \$22.7 million (see Table 1 below). This includes the annual cost of new full-time equivalents (FTEs) and information technology costs of \$7.6 million. The MCAQD estimates that annual revenue with proposed fee increases will be approximately \$22.7 million of which \$14.8 million (65%) is attributed to fees and \$7.8 million comes from other sources of revenue.

**Table 1: Maricopa County Air Quality Department Estimated Annual Expenditures**

Activity	Current Expenditures	+	Cost of New FTEs/Programs	+	Allocation of Indirects	=	Est. Expenditures After Indirect Allocation
Title V Permit Compliance	\$615,870		\$75,048		\$481,205		\$1,172,123
Title V Permit Review	704,543		0		144,686		849,229
<b>Subtotal Title V Permits</b>	<b>\$1,320,413</b>		<b>\$75,048</b>		<b>\$625,891</b>		<b>\$2,021,352</b>
Small Source Permit Compliance	\$1,121,511		\$895,521		\$1,991,694		\$4,008,726
Small Source Permit Review	948,999		0		220,837		1,169,836
<b>Subtotal Small Source Permits</b>	<b>\$2,070,510</b>		<b>\$895,521</b>		<b>\$2,212,531</b>		<b>\$5,178,562</b>
<b>Dust Control Permits</b>	<b>\$1,862,578</b>		<b>\$3,635,589</b>		<b>\$2,105,329</b>		<b>7,603,496</b>
<b>Total Permit Related Expenditures</b>	<b>\$5,253,501</b>		<b>\$4,606,158</b>		<b>\$4,943,751</b>		<b>\$14,803,410</b>
Dust Control Vacant Lot Enforcement	\$758,326		\$1,257,382		\$430,252		\$2,445,960
Trip Reduction Program	417,107		407,478		182,762		1,007,347
Voluntary Vehicle Repair and Retrofit	1,839,432		0		190,377		2,029,809
Air Quality Monitoring	725,000		0		38,075		763,075
Administrative Services	1,854,898		291,554		(720,004)		1,426,448
Planning and Analysis	2,900,047		1,056,876		(3,685,697)		271,226
Small Business Resource Center	988,278		0		(988,278)		0
	391,239		0		(391,239)		0
<b>Subtotal Other Department Activities</b>	<b>\$9,874,327</b>		<b>\$3,013,291</b>		<b>(\$4,943,752)</b>		<b>\$7,943,866</b>
<b>Grand Total</b>	<b>\$15,127,828</b>		<b>\$7,619,448</b>		<b>\$0</b>		<b>\$22,747,275</b>

**Table 2: Maricopa County Air Quality Department Revenue**

Activity	FY2007 Actual Revenue	Est. Revenue w/Proposed Fees
Title V Permit Compliance	\$777,254	\$1,315,140
Title V Permit Review	221,573	720,500
<b>Subtotal Title V Permits</b>	<b>\$998,827</b>	<b>\$2,035,640</b>
Small Source Permit Compliance	\$3,940,876	\$4,856,145
Small Source Permit Review	411,584	328,913

<b>Subtotal Small Source Permits</b>	<b>\$4,352,460</b>	<b>\$5,185,058</b>
<b>Dust Control Permits</b>	<b>\$3,352,588</b>	<b>\$7,651,270</b>
<b>Total Permit Revenue</b>	<b>\$8,703,875</b>	<b>\$14,871,968</b>
<b>Other Revenue (including grants, interest, general fund, and fund balance appropriations)</b>	<b>\$7,477,455</b>	<b>\$7,855,246</b>
<b>Grand Total</b>	<b>\$16,181,330</b>	<b>\$22,727,214</b>

#### **D. Entities Directly Affected**

The MCAQD anticipates that this proposed rulemaking would directly impact 10,700 sources permitted by the MCAQD, 10,000 individuals and entities involved in performing ancillary services on a dust control permitted site (subcontractor registration fee); and 12,330 individuals required to attend a basic or comprehensive dust control training class (dust control training class fee).

Entities impacted include Title V (e.g., utilities, landfills, wood furniture manufactures, petroleum products terminal facilities, air curtain destructors, and others); Non-Title V (e.g. synthetic minors, stationary sources, and small sources) and general permit sources (e.g. dry cleaning, vehicle refinishing, printing facilities, gas stations, and others); gasoline delivery companies (gasoline delivery vessel fee); construction companies and home builders (dust control permit fee); asbestos removal contractors (asbestos notification and plan review fee); individuals and entities involved in performing ancillary services (including but not limited to: site foremen/supervisors, superintendents, truck drivers, initial grading, excavation, pouring concrete/footings, landscapers, utility installation, framers, drywall installation, electricians, swimming pool installers, et al.) on a dust control permitted site (sub-contractor registration fee); and entities (individuals, corporations, or other organizations) currently required to obtain a dust control permit for dust generating operations (dust control training class fee).

#### **E. Potential Cost and Benefits**

The MCAQD expects an increase in revenues from these rule changes that will be sufficient to efficiently and effectively operate the air quality program and maintain compliance with federal and state law.

#### Regulatory Agencies

To implement Maricopa County's commitments in the Five Percent Plan, 86 additional FTEs will be required. Of the 86 FTEs, 63 FTEs have a direct impact on fees. The remaining 23 FTEs support the vacant lot and parking lot programs and the Department's enforcement division and are funded by other revenue sources. Additionally, the MCAQD will seek approval to hire 15 FTEs to support stationary source and asbestos/NESHAP compliance, the Department's administrative services



divisions and the dust control permit compliance program. Of the 15 FTEs, 11 FTEs have a direct impact on fees. The remaining 4 FTEs support the Department's Community and Media Relations Division and will be funded by other revenue sources. Lastly, costs associated with information technology and new database development were also included in the administrative services costs. Information regarding new FTEs and overall costs are provided below:

The four commitments adopted by Maricopa County that will result in increased staffing levels and have a direct impact on fees are listed below:

1. Dust Control Training Program – Maricopa County will develop and implement training programs for the suppression of PM<sub>10</sub> emissions from permitted sources of PM<sub>10</sub> and hire four additional FTEs to coordinate and conduct the training programs. Annual costs associated with dust control training include personnel, training materials, database costs, and room rental.
2. Subcontractor Registration Program – Maricopa County will establish a subcontractor registration program and hire four additional FTEs to administer the registration program. Annual costs associated with the subcontractor registration program include personnel and database costs.
3. Increased Number of Proactive Inspections at Rule 310 and Rule 316 permitted facilities – Maricopa County will hire 52 additional FTEs (compliance inspectors, supervisors, and support staff) to support an increased number of proactive inspections at Rule 310 and Rule 316 permitted facilities.
4. Mobile Air Monitoring Program – Maricopa County will develop a comprehensive mobile air monitoring program that can test for a broad spectrum of ambient air pollutants and hire three engineers to administer the program.

The MCAQD will also seek approval to hire seven FTEs to support stationary source and asbestos/NESHAP compliance, seven FTEs to support the Department's administrative services divisions, and one FTE to support management of the dust control permit compliance program. Of the 15 FTEs, 11 FTEs have a direct impact on fees. The remaining four FTEs support the Department's Community and Media Relations Division and will be funded by other revenue sources. Lastly, costs associated with information technology and new database development were also included in the administrative services costs. The table below provides overall costs associated with new FTEs and programs:

Activity	New FTEs Committed to In Five Percent	Additional FTEs MCAQD is Requesting	Costs of New FTEs/Programs
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	<b>Plan</b>		
Title V Permit Compliance	0	1	\$75,048
Small Source Permit Compliance (includes Asbestos/NESHAP)	5	6	895,521
Dust Control Permit Compliance	55	1	3,635,589
Administrative Services (Finance, IT, Office of the Director, Human Resources, Community and Media Relations, etc.)		7	1,056,876
Air Quality Monitoring (includes Mobile Monitoring)	3		291,554
Enforcement	5		407,478
Dust Control Vacant Lot	18		1,257,382
<b>Total</b>	<b>86</b>	<b>15</b>	<b>\$7,619,449</b>

Other agencies are not expected to be directly impacted.

#### Regulated Community:

Entities impacted include Title V (e.g., utilities, landfills, wood furniture manufactures, petroleum products terminal facilities, air curtain destructors, and others); Non-Title V (e.g. synthetic minors, stationary sources, and small sources) and general permit sources (e.g. dry cleaning, vehicle refinishing, printing facilities, gas stations, and others); gasoline delivery companies (gasoline delivery vessel fee); construction companies and home builders (dust control permit fee); asbestos removal contractors (asbestos notification and plan review fee); individuals and entities involved in performing ancillary services (including but not limited to: site foremen/supervisors, superintendents, truck drivers, initial grading, excavation, pouring concrete/footings, landscapers, utility installation, framers, drywall installation, electricians, swimming pool installers, et al.) on a dust control permitted site (sub-contractor registration fee); and entities (individuals, corporations, or other organizations) currently required to obtain a dust control permit for dust generating operations (dust control training class fee).

The MCAQD does not expect to negatively impact employment. Further, the MCAQD does not expect this rulemaking to impact industrial production or growth, and no source is expected to reduce or halt its output as a result of the increased fees. Finally, the MCAQD anticipates no adverse impact to source revenues or payrolls.

The current and proposed fees detailed in Addendum A.

#### Consumers and Public:

The MCAQD expects a minimal impact to consumers and the general public. Although some sources may absorb the higher cost of doing business, others may pass on the higher costs to consumers,

depending on market conditions and elasticities of buyers and sellers. Adjusting revenue streams for the MCAQD to maintain adequate staffing levels for inspections, compliance, and enforcement increases incentives for compliance, actual compliance levels, and timely response to complaints. All of these reduce emissions from regulated sources, which in turn prevent adverse health effects that cost the public in medical care and lost productivity.

#### **F. Potential Impacts to Small Businesses**

State law requires agencies to reduce the impact of a rule on small businesses when legal and feasible. The MCAQD considered each of the methods prescribed in A.R.S. §§ 41-1035 and 41-1055(B) for reducing the impact of this rule on small businesses: (1) exempt them from any or all rule requirements, (2) establish performance standards that would replace any design or operational standards, or (3) institute reduced compliance or reporting requirements, such as establishing less stringent requirements, consolidating or simplifying them or setting less stringent schedules or deadlines.

The statutory directive that permit fees must be related to costs prohibits the MCAQD from implementing almost any of these methods for determining fees for small businesses. As a result, permit fees are based on regulatory costs rather than size of the source.

One alternative that reduces costs for small businesses is for eligible sources to apply for a general permit under Rule 230. General permits are available at a somewhat reduced cost when compared to individual permits. General permits tend to be used by smaller sources and may reduce costs because general permitted sources would not be required to pay an hourly permit-processing fee nor the emissions-based fee. Additionally, the MCAQD's proposed asbestos notification and plan review filing fee establishes a sliding scale fixed fee based on project size that results in a lower fees for smaller projects.

#### **Addendum A**

Under Rule 280, the MCAQD adjusts permit fees every January 1 based on the Consumer Price Index (CPI) average for that year. The CPI for any year is the average CPI for all urban consumers, not seasonally adjusted. CPI values are published monthly by the Bureau of Labor Statistics, U.S. Department of Labor. Each year, the fee will be adjusted by multiplying by the CPI for the most recent year and dividing by the CPI for the base year.

The hourly rate for permit processing time required for a billable permit action under Rule 280 Sections 301 and 302 applies to owners and operators of Title V and Non-Title V sources. The 2008 CPI-adjusted fee is \$118.30 per hour. The current proposed rate is \$133.50 per hour. To revise the hourly rate, the MCAQD reassessed the number of billable hours per employee, by adjusting non-

program and program time, as well as cost of management, technical and clerical personnel needed to supervise and support these employees. the MCAQD's analysis is consistent with the ADEQ and the proposed fee is identical to the ADEQ proposed permit processing fee.

Amendments proposed in section 301.1 and 302.1 would require an owner or operator of a source required to have a Title V or Non-Title V permit to pay the actual cost of public notice conducted according to Rule 220. The cost of public notice could include costs incurred by the Control Officer to publish public hearing notice(s) in the newspaper(s), to hire a hearing officer, to hire transcription or court reporting services, and to rent meeting room space. The MCAQD estimates the cost of public notice to be \$2,510. The costs are detailed in the table below:

<b>Permit Public Hearing Requirements</b>	<b>Costs</b>	<b>Estimated Total Cost</b>
Publish permit public hearing notices in the newspaper(s)	<u>Arizona Business Gazette</u> \$5	\$2,105
	<u>Arizona Republic</u> \$2,100	
	<u>Record Reporter</u> \$10	
Hearing officer	\$125/hour	\$315
Transcription/court reporter	\$30/hour plus \$3.75/transcription	\$90
<b>Total</b>		<b>\$2,510</b>

The emissions-based fee under Rule 280 Section 301 applies to actual emissions of regulated pollutants emitted from Title V sources. The 2008 CPI-adjusted fee is \$14.51 per ton. The current proposed fee is \$38.25 per ton. The proposed emissions fee of \$38.25 per ton is identical to the ADEQ proposed emissions fee.

The following table compares the 2008 CPI-adjusted fee to the current proposed fees for the Title V annual administrative fee. The annual administrative fee would increase substantially from current levels, but not greater than ten percent more than the ADEQ Title V annual administrative fees.

<b>Fee Category</b>	<b>Fee Effective 01/01/2008</b>	<b>Proposed Fee</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
<b>Title V: Annual Administrative Fee</b>				
Aerospace	\$14,880	\$18,320	\$3,440	+23.1%
Air Curtain Destructors	N/A	\$840	N/A	N/A
Cement Plants	\$48,780	\$68,590	\$19,810	+40.6%
Combustion/Boilers	\$11,860	\$16,680	\$4,820	+40.6%
Compressor Stations	\$10,320	\$13,630	\$3,310	+32.1%
Expandable Foam	\$10,910	\$14,800	\$3,890	+35.7%
Landfills	\$12,930	\$18,140	\$5,210	+40.3%
Lime Plants	\$45,690	\$64,790	\$19,100	+41.8%
Copper & Nickel Mines	\$11,480	\$16,150	\$4,670	+40.7%
Gold Mines	\$11,480	\$16,150	\$4,670	+40.7%
Paper Mills	\$15,680	\$22,060	\$6,380	+40.7%

<b>Fee Category</b>	<b>Fee Effective 01/01/2008</b>	<b>Proposed Fee</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Petroleum Products Terminal Facilities	\$19,150	\$25,800	\$6,650	+34.7%
Polymeric Fabric Coaters	\$12,670	\$18,140	\$5,470	+43.2%
Reinforced Plastics	\$9,910	\$13,630	\$3,720	+37.5%
Semiconductor Fabrication	\$20,630	\$29,010	\$8,380	+40.6%
Copper Smelters	\$48,780	\$68,590	\$19,810	+40.6%
Utilities – Primary Fuel Natural Gas (base)	\$9,260	\$9,500	\$240	+2.6%
+ per-turbine fee	\$16,580	\$16,480	(\$100)	–0.6%
Utilities – Fossil Fuel Except Natural Gas	\$24,940	\$35,080	\$10,140	+40.7%
Vitamin/Pharmaceutical Manufacturing	\$12,110	\$17,020	\$4,910	+40.5%
Wood Furniture	\$10,760	\$15,010	\$4,250	+39.5%
Others	\$13,420	\$18,130	\$4,710	+35.1%
Others with Continuous Emissions Monitoring	\$15,690	\$22,070	\$6,380	+40.7%

In addition to the changes for Title V sources, annual administrative fees for Non-Title V and general permitted sources, dust control permits, and asbestos plan review and notifications would increase under the proposed amendments to better reflect the share of costs directly related to these programs. Most of the categories of permits will be impacted by the increased fees; however, the permit fees for Table A, B, E, F, and G individual permits and Table C, D, E, and G general permits will decrease slightly when compared to the 2008 CPI-adjusted fees.

The following table compares the 2008 CPI-adjusted fee to the current proposed fees for the annual administrative fee for Non-Title V and general permitted sources. The Non-Title V source must pay an annual administrative fee which includes a portion of the permit processing fee for permit renewal. For a source that is covered under a general permit, the fee structure is based on fixed amounts for obtaining an authorization to operate and an annual administrative fee. The Non-title V and general permit annual fees include 1/5 of the permit processing fee for permit renewal as well as the annual costs for inspection, emission inventory, and regulatory activities. The structure allows the Non-Title V source to pay approximately the same fee each year and avoid the second fee due every 5 years at permit renewal. For the number of permit renewal actions, the department assumed that 20 percent (1/5) of the existing permits would be renewed each year.

<b>Fee Category</b>	<b>Fee Effective 01/01/2008</b>	<b>Proposed Fee</b>	<b>Increase/ (Decrease)</b>	<b>% Change</b>
Source listed in Table A	\$6,440	\$5,980	(\$460)	–7.1%
Source listed in Table B	\$1,820	\$1,550	(\$270)	–14.8%
Source listed in Table C - D	\$570	\$610	\$40	7.0%
Source listed in Table E	\$410	\$320	(\$90)	–22.0%
Source listed in Table F	\$8,090	\$7,940	(\$150)	–1.9%

Source listed in Table G	\$5,240	\$4,790	(\$450)	-8.6%
Source listed in Table H	N/A	\$7,940	N/A	N/A
Source listed in Table I	N/A	\$4,790	N/A	N/A
<b>General Permits: Annual Fees</b>				
Title V General Permits	Admin. fee	Admin. fee	varies	N/A
Table A	\$3,920	\$4,870	\$950	24.2%
Table B	\$1,300	\$3,250	\$1,950	150.0%
Tables C - D	\$420	\$320	(\$100)	-23.8%
Table E	\$320	\$240	(\$80)	-25.0%
Table F	\$6,790	\$6,970	\$180	2.7%
Table G	\$4,420	\$4,170	(\$250)	-5.7%
Table H	N/A	\$6,970	N/A	N/A
Table I	N/A	\$4,170	N/A	N/A

The following table compares the existing dust control permit fees to the proposed fees:

Fee Category	Fee Effective 01/01/2008	Proposed Fee	Increase/ (Decrease)	% Change
<b>Dust Control Permit Fee</b>				
Annual Block Permit	\$2,000	\$2,000	\$0	0.0%
0.1 to less than one acre	\$150	\$350	\$200	133.3%
One acre or greater: fixed fee	\$150	\$350	\$200	133.3%
One acre or greater: per acre	\$36	\$77	\$41	112.6%

The following table compares the existing asbestos notification and plan review filing fee to the proposed fee structure:

Fee Type	Fee Effective 01/01/2008	Proposed Fee Schedule			
<b>Renovation Fee</b>	\$425	<b>Amount of Regulated Asbestos Containing Materials (RACM) Removed</b>			
		<b>Linear Feet</b>	<b>Square Feet</b>	<b>Cubic Feet</b>	<b>Fee*</b>
		0 – 259	0 – 159	0 – 34	\$0
		260 – 499	160 – 499	35 – 109	\$200
		500 – 999	500 – 999	110 – 218	\$350
		1,000 – 2,499	1,000 – 2,499	219 – 547	\$800
		2,500 – 4,999	2,500 – 4,999	548 – 1,094	\$1,500
		5,000 – 9,999	5,000 – 9,999	1,095 – 2,188	\$3,100
		10,000 – 14,999	10,000 – 14,999	2,189 – 4,499	\$6,200
		15,000 or more	15,000 or more	4,500 or more	\$7,500
		*If materials are reported on the notification in more than one category, only the highest fee will apply.			
<b>Demolition Fee</b>	\$425	<b>Building Size (square feet)</b>			<b>Fee</b>
		0 – 999			\$150
		1,000 – 2,499			\$300
		2,500 – 4,999			\$450
		5,000 or more			\$525
<b>Annual Operation and Maintenance Fee</b>	\$425	<b>Annual Operation and Maintenance</b>			\$1,250

The following table shows new fees being proposed for gasoline delivery vessel replacement decals, the dust control training class fee, and the subcontractor registration fee:

<b>New Fee Category</b>	<b>Proposed Fee</b>
Gasoline Delivery Vessel Replacement Decal Fee	\$80
Basic Dust Control Training Class Fee	\$50
Comprehensive Dust Control Training Class Fee	\$125
Subcontractor Registration Fee	\$50

**10. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**

Name: Dena Konopka  
Maricopa County Air Quality Department  
Address: 1001 N. Central Ave, Suite 595  
Phoenix, AZ 85004  
Telephone: (602) 506-4057  
Fax: (602) 506-6179  
E-mail: dkonopka@mail.maricopa.gov

**11. Time, place, and nature of the proceedings for the amendment of the rule:**

Written comments will be accepted if received between the date of this publication and January 4, 2008, 5:00 p.m. Written comments may be mailed or hand delivered to the Maricopa County Air Quality Department (see #4 above). Written comments received during the comment period will be considered formal comments to the proposed rules and will be responded to in the Notice Of Final Rulemaking.

An oral proceeding will be held on January 3, 2008 at 9:00 am at the Maricopa County Air Quality Department, 1001 N. Central Avenue, Phoenix, AZ, in conference room 560.

**12. Other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**

None

**13. Incorporations by reference and their location in the rules:**

40 CFR 60, Appendix F	Rule 280, Section 305.1(b)(1)
40 CFR 75, and all accompanying appendices	Rule 280, Section 305.1(b)(1)

**14. The full text of the rule follows:**

**REGULATION II – PERMITS AND FEES**

**RULE 280**

## **FEES**

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- ~~320~~ 320 HAZARDOUS AIR POLLUTANTS TIER 4 RISK MANAGEMENT ANALYSIS FEE

#### **SECTION 400 – ADMINISTRATIVE REQUIREMENTS**

- 401 EFFECTIVE DATE OF FEES
- 402 PAYMENT OF FEES
- 403 FEE TABLE A, B, C, D, E, F, ~~AND G, H, AND I~~ SOURCES

#### **SECTION 500 – MONITORING AND RECORDS (NOT APPLICABLE)**



Revised 07/13/88  
Revised 08/05/91  
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Revised 05/18/05  
Revised 07/12/06

**MARICOPA COUNTY  
AIR POLLUTION CONTROL REGULATIONS**

**REGULATION II – PERMITS AND FEES**

**RULE 280  
FEES**

**SECTION 100 – GENERAL**

- 101 PURPOSE:** To establish fees to be charged to owners and operators of sources of air pollution subject to these rules.
- 102 APPLICABILITY:** Every person owning/operating equipment or engaged in activities that may cause or contribute to air pollution is subject to the prescribed fees in this rule.

**SECTION 200 – DEFINITIONS:** For the purpose of this rule, the following definitions shall apply:

- 201 ANNUAL ADMINISTRATIVE FEE** – Paid annually by a source to recover the average cost of services required to administer the permit and conduct inspections. For a Non-Title V permitted source, the annual administrative fee also covers the cost of renewing the Non-Title V permit. For a General permitted source, the annual administrative fee also covers the cost of reapplying for authorization to operate under a General Permit.
- 202 BILLABLE PERMIT ACTION** – The review, issuance or denial of a new permit, significant permit revision, or minor permit revision, or the renewal of an existing permit.
- 203 EXISTING SOURCE** – A source that has commenced construction and has been issued a permit pursuant to ARS § 49-480 after September 1, 1993.
- 204 ITEMIZED INVOICE** – A breakdown of the permit processing time into the categories of pre-application activities, completeness review, substantive (technical) review, and public involvement activities, and within each category, a further breakdown by employee name.
- 205 NON-MAJOR TITLE V SOURCE** – A source required to obtain a Non-Title V permit under Rule 200 to which both of the following apply:
- 205.1** The source is classified as a Synthetic Minor Source, and
- 205.2** The source has a permit that contains allowable emissions greater than or equal to 50% of the major source threshold.
- 206 REGULATED AIR POLLUTANT** – For the purposes of Section 305 of this rule, regulated air pollutant consists of the following air pollutants:

- 206.1** Any conventional air pollutant as defined in ARS § 49-401.01, which means any pollutant for which the Administrator of EPA has promulgated a primary or a secondary national ambient air quality standard (NAAQS) except carbon monoxide (i.e., for nitrogen oxides ~~(NO<sub>x</sub>)~~ (NO<sub>x</sub>), lead, sulfur oxides ~~(SO<sub>x</sub>)~~ (SO<sub>x</sub>) measured as sulfur dioxides ~~(SO<sub>2</sub>)~~ (SO<sub>2</sub>), ozone, and particulates).
- 206.2** Nitrogen oxides ~~(NO<sub>x</sub>)~~ (NO<sub>x</sub>) and volatile organic compounds (VOCs).
- 206.3** Any air contaminant that is subject to a standard contained in Rule 360 (New Source Performance Standards) of these rules or promulgated under Section 111 (Standards of Performance for New Stationary Sources) of the Act.
- 206.4** Any hazardous air pollutant (HAP) as defined in ARS § 49-401.01 or listed in Section 112(b) (Hazardous Air Pollutants; List of Pollutants) of the Act.
- 206.5** Any Class I or II substance listed in Section 602 (Stratospheric Ozone Protection; Listing of Class I and Class II Substances) of the Act.
- 207 SOURCES REQUIRED TO HAVE A TITLE V PERMIT** – The following sources shall be considered sources required to have a Title V permit:
- 207.1** Any source required to have a Title V permit under Rule 200, Section 302 of these rules;
- 207.2** Any source that qualifies for a Non-Title V permit but that elects to have a Title V permit under Rule 200, Section 302 of these rules.

## SECTION 300 – STANDARDS

- 301 TITLE V PERMIT FEES:** The owner or operator of a source required to have a Title V permit shall pay fees according to the following provisions:
- 301.1 Fees For Billable Permit Actions:** The owner or operator of a Title V source shall pay ~~\$108.00~~ \$133.50, adjusted annually under Section 304 of this rule, for all permit processing time required for a billable permit action. The fee shall be paid as follows:
- a. An application shall be submitted with the applicable fee from the table below:

Type of Application	Application Fee
New permit application	\$7,000
Significant permit revision application that is a result of a major modification	\$7,000
Other significant permit revision applications	\$1,000
Minor permit revision application	\$150
Permit renewal application	\$3,500
  - b. The actual cost of public notice conducted according to Rule 210 of these rules, including costs incurred by the Control Officer to publish public hearing notice(s) in the newspaper(s), to hire a hearing officer, to hire transcription or court reporting services, and to rent meeting room space.
  - ~~b.c.~~ At any time after submittal of the application, the Control Officer may request additional application fees based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
  - ~~e.d.~~ When permit processing is completed for a facility, the Control Officer shall send an itemized invoice. The invoice shall indicate the total actual cost of reviewing and

acting upon the application, the actual cost of public notice as required by Section 301.1 b of this rule, all fees previously submitted, and the balance due.

- d.e.** The Control Officer shall not issue a permit, permit revision, or permit renewal until the balance due on the itemized invoice is paid in full. The Control Officer may deny a permit, a permit revision, or a permit renewal in accordance with Rule 200 of these rules if the applicant does not pay fees required for billable permit actions within 90 days of the invoice date.

**301.2 Annual Fees:** The owner or operator of a Title V source shall pay an annual administrative fee plus an emissions-based fee as follows:

- a. The applicable annual administrative fee from the table below, as adjusted annually under Section 304 of this rule. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date.

Title V Source Category	Annual Administrative Fee
Aerospace	<del>\$13,580</del> <u>\$18,320</u>
<u>Air Curtain Destructors</u>	<u>\$840</u>
Cement Plants	<del>\$44,520</del> <u>\$68,590</u>
Combustion/Boilers	<del>\$10,820</del> <u>\$16,680</u>
Compressor Stations	<del>\$9,420</del> <u>\$13,630</u>
Expandable Foam	<del>\$9,960</del> <u>\$14,800</u>
Landfills	<del>\$11,800</del> <u>\$18,140</u>
Lime Plants	<del>\$41,700</del> <u>\$64,790</u>
Copper & Nickel Mines	<del>\$10,480</del> <u>\$16,150</u>
Gold Mines	<del>\$10,480</del> <u>\$16,150</u>
Paper Mills	<del>\$14,310</del> <u>\$22,060</u>
Petroleum Products Terminal Facilities	<del>\$17,480</del> <u>\$25,800</u>
Polymeric Fabric Coaters	<del>\$11,560</del> <u>\$18,140</u>
Reinforced Plastics	<del>\$9,040</del> <u>\$13,630</u>
Semiconductor Fabrication	<del>\$18,830</del> <u>\$29,010</u>
Copper Smelters	<del>\$44,520</del> <u>\$68,590</u>
Utilities – Primary Fuel Natural Gas	<del>\$8,450</del> <u>\$9,500</u> + <del>\$15,130</del> <u>\$16,480</u> per turbine installed/ modified after May 10, 1996 and subject to annual source testing or CEM RATA* certifications
Utilities – Fossil Fuel Except Natural Gas	<del>\$22,760</del> <u>\$35,080</u>
Vitamin/Pharmaceutical Manufacturing	<del>\$11,050</del> <u>\$17,020</u>
Wood Furniture	<del>\$9,820</del> <u>\$15,010</u>
Others	<del>\$12,250</del> <u>\$18,130</u>
Others With Continuous Emissions Monitoring	<del>\$14,320</del> <u>\$22,070</u>

\* Continuous emissions monitoring relative accuracy test audit (CEM RATA)

- b. An emissions-based fee of ~~\$13.24~~ \$38.25 per ton of actual emissions of all regulated pollutants emitted during the previous calendar year as determined by Section 305 of this rule. The fee is adjusted annually under Section 304 of this rule.

**302 NON-TITLE V PERMIT FEES:** The owner or operator of a source required to have a Non-Title V permit under Rule 200, Section 303 of these rules shall pay fees according to the following provisions:

- 302.1 Fees For Billable Permit Actions:** Except for the renewal of an existing permit, the owner or operator of a Non-Title V source shall pay to the Control Officer ~~\$108.00~~ \$133.50 per hour, adjusted annually under Section 304 of this rule, for all permit processing time required for a billable permit action. The minimum fee due shall be \$200.00. The fee shall be paid as follows:
- a. An application shall be submitted with an application fee of \$200.00.
  - b. The actual cost of public notice conducted according to Rule 220 of these rules, including costs incurred by the Control Officer to publish public hearing notice(s) in the newspaper(s), to hire a hearing officer, to hire transcription or court reporting services, and to rent meeting room space.
  - ~~b.c.~~ At any time after the submittal of an application the Control Officer may request an additional application fee based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
  - ~~d.~~ e.d. When permit processing is completed and final costs are greater than the fee submitted with the application under Section 302.1(a) of this rule, the Control Officer shall send an itemized invoice. The invoice shall indicate the total cost of reviewing and acting upon the application, the actual cost of public notice as required by Section 302.1(b) of this rule, all fees previously submitted, and the balance due.
  - ~~d.e.~~ The maximum fee for processing permit applications listed in Section 302.1 of this rule is \$25,000.00.
  - ~~e.f.~~ The Control Officer shall not issue a permit or permit revision until the balance due on the itemized invoice is paid in full. The Control Officer may deny a permit or a permit revision in accordance with Rule 200 of these rules if the applicant does not pay fees required for billable permit actions within 90 days of the invoice date.

- 302.2 Annual Administrative Fees:** The owner or operator of an existing Non-Title V source shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304 of this rule. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date.

<b>Fee Tables</b>	<b>Annual Administrative Fee</b>
Source categories designated as Fee Tables <del>A–G</del> <u>A–I</u> are listed in Sections <del>403.1–403.7</del> <u>403.1–403.9</u> of this rule	
Sources listed in Fee Table A (see Section 403.1)	<del>\$5,880</del> <u>\$5,980</u>
Sources listed in Fee Table B (see Section 403.2)	<del>\$1,660</del> <u>\$1,550</u>
Sources listed in Fee Tables <del>C – D</del> (see Sections <del>403.3 and 403.4</del> <u>403.4</u> )	<del>\$520</del> <u>\$610</u>
Sources listed in Fee Table E (see Section 403.5)	<del>\$370</del> <u>\$320</u>
Sources listed in Fee Table F (see Section 403.6)	<del>\$7,380</del> <u>\$7,940</u>
Sources listed in Fee Table G (see Section 403.7)	<del>\$4,780</del> <u>\$4,790</u>
Sources listed in Fee Table H (see Section 403.8)	<u>\$7,940</u>
Sources listed in Fee Table I (see Section 403.9)	<u>\$4,790</u>

- 303 GENERAL PERMIT FEES:** The owner or operator of a source required to obtain a permit pursuant to these rules who elects to be covered by a general permit shall pay fees according to the following provisions:

**303.1 Fees Due With An Application:** The owner or operator of a source initially applying for authorization to operate under a General Permit shall pay the applicable fee from the table below with the submittal of the application.

<b>Fee Table</b> Source categories designated as Fee Tables <del>A–G</del> <u>A–I</u> are listed in Sections <del>403.1–403.7</del> <u>403.1–403.9</u> of this rule	<b>Application Fee</b>
Title V General Permits	Fee from Section 301.1(a) table for Title V source category
Sources listed in Fee Table A (see Section 403.1)	<del>\$3,580</del> <u>\$4,870</u>
Sources listed in Fee Table B (see Section 403.2)	<del>\$1,190</del> <u>\$3,250</u>
Sources listed in Fee Tables <del>C – D</del> (see Sections <del>403.3 and 403.4</del> )	<del>\$380</del> <u>\$320</u>
Sources listed in Fee Table E (see Section 403.5)	<del>\$290</del> <u>\$240</u>
Sources listed in Fee Table F (see Section 403.6)	<del>\$6,200</del> <u>\$6,970</u>
Sources listed in Fee Table G (see Section 403.7)	<del>\$4,030</del> <u>\$4,170</u>
Sources listed in Fee Table H (see Section 403.8)	<u>\$6,970</u>
Sources listed in Fee Table I (see Section 403.9)	<u>\$4,170</u>

**303.2 Annual Administrative Fee:** The owner or operator of a source with an authorization to operate under a General Permit shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304 of this rule. The fee is due on the first anniversary date of the initial approval to operate under a General Permit and annually thereafter on that date.

<b>Fee Table</b> Source categories designated as Fee Tables <del>A–G</del> <u>A–I</u> are listed in Sections <del>403.1–403.7</del> <u>403.1–403.9</u> of this rule	<b>Application Fee</b>
Title V General Permits	Fee from Section 301.2(a) table for Title V source category
Sources listed in Fee Table A (see Section 403.1)	<del>\$3,580</del> <u>\$4,870</u>
Sources listed in Fee Table B (see Section 403.2)	<del>\$1,190</del> <u>\$3,250</u>
Sources listed in Fee Tables <del>C – D</del> (see Sections <del>403.3 and 403.4</del> )	<del>\$380</del> <u>\$320</u>
Sources listed in Fee Table E (see Section 403.5)	<del>\$290</del> <u>\$240</u>
Sources listed in Fee Table F (see Section 403.6)	<del>\$6,200</del> <u>\$6,970</u>
Sources listed in Fee Table G (see Section 403.7)	<del>\$4,030</del> <u>\$4,170</u>
Sources listed in Fee Table H (see Section 403.8)	<u>\$6,970</u>
Sources listed in Fee Table I (see Section 403.9)	<u>\$4,170</u>

#### **304 ANNUAL ADJUSTMENT OF FEES:**

**304.1** The Control Officer shall adjust the hourly rate every January 1, to the nearest 10 cents per hour, beginning on January 1, ~~2006~~ 2009. The Control Officer will multiply ~~\$108.00~~ \$133.50 by the Consumer Price Index (CPI) for the most recent year as described in Section 304.4 of this rule, and then divide by the CPI for the year ~~2004~~ 2008.

**304.2** The Control Officer shall adjust the administrative or permit processing fees listed in Sections 301–303 of this rule every January 1, to the nearest \$10, beginning on January 1, ~~2006~~ 2009. The Control Officer will multiply the administrative or permit processing fee by the Consumer Price Index (CPI) for the most recent year as described in Section 304.4 of this rule, and then divide by the CPI for the year ~~2004~~ 2008.

**304.3** The Control Officer shall adjust the rate for emission-based fees every January 1, beginning on January 1, ~~2006~~ 2009. The Control Officer will multiply ~~\$13.24~~ \$38.25 by the Consumer Price Index (CPI) for the most recent year as described in Section 304.4, and then divide by the CPI for the year ~~2004~~ 2008.

**304.4** The Consumer Price Index (CPI) for any year is the average of the monthly CPI for all urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of that year.

**305 CALCULATION AND PAYMENT OF EMISSIONS-BASED FEES:**

**305.1** For purposes of this section, actual emissions means the actual quantity of regulated air pollutants emitted over the preceding calendar year or any other period determined by the Control Officer to be representative of normal source operations, determined as follows:

- a. Emissions quantities, including fugitive emissions, reported under Rule 100, Section 500 of these rules shall be used for purposes of calculating the emissions-based fee.
- b. Actual emissions quantities calculated under Rule 100, Section 500 of these rules shall be determined using the following methods:
  - (1) Whenever available, emissions estimates shall be calculated from continuous emissions monitors certified under 40 CFR Part 75, Subpart C and referenced appendices, or data quality assured pursuant to Appendix F of 40 CFR, Part 60 which are incorporated by reference in Appendix G of these rules.
  - (2) When sufficient data obtained using the methods described in Section 305.1(b)(1) of this rule is not available, emissions estimates shall be calculated from source performance tests conducted pursuant to Rule 270 of these rules.
  - (3) When sufficient data obtained using the methods described in Sections 305.1(b)(1) or (2) of this rule is not available, emissions estimates shall be calculated from material balance using engineering knowledge of process.
  - (4) When sufficient data obtained using the methods described in Sections 305.1(b)(1) through (3) of this rule is not available, emissions estimates shall be calculated using emissions factors from EPA Publication No. AP-42 "Compilation of Air Pollutant Emission Factors," Volume I: Stationary Point and Area Sources, which is incorporated by reference in Appendix G.
  - (5) When sufficient data obtained using the methods described in Sections 305.1(b)(1) through (4) of this rule is not available, emissions estimates shall be calculated by equivalent methods approved by the Control Officer. The Control Officer shall only approve methods that are demonstrated as accurate and reliable as the applicable methods in Sections 305.1(b)(1) through (4) of this rule.
- c. Actual emissions quantities calculated under Section 305.1(b) of this rule shall be determined for each source on the basis of actual operating hours, production rates, in-place process control equipment, operational process control data, and types of materials processed, stored, or combusted.

**305.2** The following emissions of regulated air pollutants shall be excluded from a source's actual emissions for purposes of this section:

- a. Emissions of a regulated air pollutant from the source in excess of 4,000 tons per year.
- b. Emissions of any regulated air pollutant that are already included in the fee calculation for the source, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM<sub>10</sub>.
- c. Emissions from insignificant activities excluded from the permit for the source under Rule 210 of these rules.
- d. Fugitive emissions of PM<sub>10</sub> from activities other than crushing, belt transfers, screening, or stacking.
- e. Fugitive emissions of VOC from solution-extraction units.

**305.3** A notice to pay the fee specified in Section 301.2(b) of this rule, a declaration of emissions form and the annual emission inventory questionnaire will be mailed annually to the owner or operator of a source to which this applies. The emission fee is due and payable by April 30 each year or no later than 90 days following the date of notice, whichever is later.

**306 HEARING BOARD FILING FEE:** A person filing a petition with the Hearing Board under Rule 400 of these rules shall pay a fee of \$100.00. This fee may be refunded by a majority vote of the Hearing Board upon a showing of undue hardship.

**307 CONDITIONAL ORDER FEE:** Any person applying for a conditional order pursuant to Rule 120 of these rules shall pay a conditional order fee. The amount of a conditional order fee shall be equal to the amount of the applicable permit fee as specified in this rule.

**308 GASOLINE DELIVERY VESSEL DECAL FEE:** A person wishing to obtain a decal for each gasoline delivery vessel that passes the required annual test under Rule 352 of these rules shall pay a fee of \$280.00. A person wishing to obtain a replacement decal shall pay a fee of \$80.00.

**309 ~~PERMIT TO BURN FEE~~ OPEN BURN FEE:**

**309.1 BURN PERMIT FEE:** A person applying for a Burn Permit ~~to Burn~~ shall pay a fee as set forth in the following fee schedule:

Fire Category	Permit Period	Fee
Tumbleweeds	30 days	\$100.00
Fire Hazard	30 days	\$100.00
Fire Fighting Instruction	1 year	\$100.00
Ditch Bank/Fence Row	1 year	\$100.00
Disease/Pest Prevention	30 days	\$100.00
Land Clearance Less Than 5.0 Acres	30 days	\$150.00
Land Clearance 5.0 Acres Or Greater	30 days	\$350.00
<del>Air Curtain Destructor</del>	<del>30 days</del>	<del>\$350.00</del>

**309.2 AIR CURTAIN DESTRUCTOR BURN PLAN REVIEW AND INSPECTION FEE:**  
Any person required to file an air curtain destructor Burn Plan under the provisions of Rule 314 of these rules shall pay a fee of \$350.00.

- 310 DUST CONTROL PERMIT FEE:** A person applying for Dust Control Permit shall pay an annual fee as set forth in the following fee schedule, based on the total surface area that is disturbed:

**310.1** A person applying for Dust Control Permit shall pay an annual fee as set forth in the following fee schedule, based on the total surface area that is disturbed:

<b>Total Surface Area Disturbed:</b>	<b>Fee:</b>
Annual Block Permit:	\$2000.00
0.1 to less than one acre:	<del>\$150.00</del> <u>\$350.00</u>
One acre or greater:	<del>\$36.00</del> <u>\$77.00</u> per acre plus <del>\$150.00</del> <u>\$350.00</u>

Example: 6 acres = ~~6 x \$36.00 + \$150.00 = \$366~~ 6 x \$77.00 + \$350.00 = \$812.00

**310.2 DUST CONTROL PERMIT FEE REFUNDS:**

- a. Refunds Prior to Project Start Date and Prior to Commencement of Dust Generating Operations:** If a dust control permit is cancelled by the permittee prior to the project start date and before commencing any dust generating operations, the Control Officer shall refund the dust control permit fee, less a \$150 nonrefundable processing fee.
- b. Refunds After Project Start Date and Prior to Commencement of Dust Generating Operations:** If a dust control permit is cancelled by the permittee after the project start date and before commencing any dust generating operations, the Control Officer shall refund the dust control permit fee, less a \$350 nonrefundable processing and initial inspection fee.
- c.** No dust control permit refund shall be given for a dust control permit cancelled by the permittee after commencing any dust generation operations.

**311 DUST CONTROL TRAINING CLASS FEE:**

**311.1 Basic Dust Control Training Class Fee:** A person required to complete basic dust control training shall pay a training class fee of \$50.00.

**311.2 Comprehensive Dust Control Training Class Fee:** A person required to complete comprehensive dust control training shall pay a training class fee of \$125.00.

**311.3 Requests for Dust Control Training:** A person may request that the Control Officer conduct a dust control training class within Maricopa County. A minimum of 10 and a maximum of 30 class participants shall be required and meeting room space shall be provided by the person making the request. The fee for such a training class shall be \$35.00 per person for basic dust control training or \$100.00 per person for comprehensive dust control training.

**312 SUBCONTRACTOR REGISTRATION FEE:** A person required to register with the Control Officer under Rule 200 Section 306 of these rules and wishing to obtain a registration number shall pay an annual fee of \$50.00.

**~~311~~ 313 ASBESTOS NOTIFICATION AND PLAN REVIEW FILING FEES:** Any person required to file notification under the provisions of Rule 370 of these rules shall pay a fee as follows fees according to the provisions in Sections 313.1 through 313.5 below.

**~~311.1~~ 313.1 Renovation:** Any person filing notification of a project to renovate regulated asbestos-containing materials (RACM) shall pay a nonrefundable notification and plan



review filing fee of \$425.00, based on the amount of regulated asbestos-containing materials removed as shown in the table below:

<b><u>Amount of Regulated Asbestos-Containing Materials (RACM) Removed</u></b>			<b><u>Fee*</u></b>
<b><u>Linear Feet</u></b>	<b><u>Square Feet</u></b>	<b><u>Cubic Feet</u></b>	
0 – 259	0 – 159	0 – 34	\$0
260 – 499	160 – 499	35 – 109	\$200
500 – 999	500 – 999	110 – 218	\$350
1,000 – 2,499	1,000 – 2,499	219 – 547	\$800
2,500 – 4,999	2,500 – 4,999	548 – 1,094	\$1,500
5,000 – 9,999	5,000 – 9,999	1,095 – 2,188	\$3,100
10,000 – 14,999	10,000 – 14,999	2,189 – 4,499	\$6,200
15,000 or more	15,000 or more	4,500 or more	\$7,500
* If materials are reported on the notification in more than one category, the higher fee will apply.			

**313.2 Demolition:** Any person filing notification of a project to demolish a facility (as defined in 40 CFR 61, Subpart M) shall pay a nonrefundable notification and plan review filing fee of \$425.00, based on the building size (building size floor area multiplied by the number of floors affected) in square feet as shown in the table below:

<b><u>Building Size (square feet)</u></b>	<b><u>Fee</u></b>
0 – 999	\$150
1,000 – 2,499	\$300
2,500 – 4,999	\$450
5,000 or more	\$525

**313.3** For projects involving both renovation and demolition activities in a single notification, separate fees for each activity will apply according to Sections 313.1 and 313.2 of this rule.

**313.4** When a revision to a notification involves an increase in the RACM or building size, the difference between the fee for the original RACM or building size and the revised RACM or building size shall be paid.

**313.5 Annual Operation and Maintenance:** Any person filing an annual notification of planned renovation operations involving individual nonscheduled operations to renovate regulated asbestos-containing materials shall pay a nonrefundable notification and plan review filing fee of \$1,250.00.

**314 LATE FEE:** The Control Officer shall assess the following fees in addition to all other applicable fees:

**314.1 TITLE V, NON-TITLE V, OR GENERAL PERMIT:** An owner/operator of a source requiring a permit who has received a Notice of Violation for constructing or operating without such permit shall pay a late fee of \$100.00.

**314.2 DUST CONTROL PERMIT:** Any person who is engaging in dust generating operations without a Dust Control Permit and has received a Notice of Violation for engaging in dust generating operations without a Dust Control Permit shall pay a late fee of \$100.00.

**~~313~~315 DELINQUENCY FEE:** An applicant or permittee who fails to pay any required fee(s) by 30 days after invoice due date shall pay a delinquency fee of \$50.00 or a delinquency fee of \$100.00 if delinquent over 60 days from the invoice due date. Applicants and permittees will be notified by mail of any permit delinquency fees that are due and payable.

**~~314~~316 SUBSCRIPTION FEE FOR RULE REVISIONS:** A person requesting to be placed on a mailing list to receive copies of new and revised rules shall pay to the Control Officer an annual subscription fee of \$35.00.

**~~315~~317 ACCELERATED PERMIT PROCESSING FEE:** An applicant requesting accelerated permit processing shall pay fees to the Control Officer according to the following provisions:

**~~315.4~~317.1** Such a request shall be accompanied by an initial fee of \$15,000. The fee is nonrefundable to the extent of the Control Officer's costs for accelerating the processing if the Control Officer undertakes to provide accelerated processing as described in Rule 200, Section 313 of these rules.

**~~315.2~~317.2** At any time after an applicant has requested accelerated permit processing, the Control Officer may request an additional advance payment fee based on the most recent estimated cost of accelerating the processing of the application.

**~~315.3~~317.3** Upon completion of permit processing activities but before issuing or denying a permit or permit revision, the Control Officer shall send notice of the decision to the applicant along with a final invoice. The final invoice shall include all regular permit processing and other fees due, as well as the difference between the actual cost of accelerating the permit application, including any costs incurred by the Control Officer in contracting for, hiring, or supervising the work of outside consultants, and all advance payments submitted for accelerated processing. In the event all payments made exceed actual accelerated permit costs, the Control Officer shall refund the excess advance payments.

**~~315.4~~317.1** Any additional costs incurred as a result of accelerated permit processing shall not be applied toward any applicable maximum fee described in this rule.

**~~316~~318 FAILURE TO PAY REQUIRED FEES:** Nonpayment of fees required by this rule constitutes a violation as provided in ARS §§ 49-502, 49-511 and 49-513.

**~~317~~319 INFORMAL REVIEW OF PERMIT PROCESSING HOURS:**

**~~317.4~~319.1** Any person who receives a final itemized invoice from the Control Officer under Section 301.1 or 302.1 of this rule for a billable permit action may request an informal review of the permit processing hours billed and may pay the invoice under protest as provided below. If the invoice is paid under protest, the Control Officer shall issue the permit.

**~~317.2~~319.2** The request for an informal review of the permit processing hours billed shall be made in writing, and received by the Control Officer within 30 days of the invoice date. Unless the Control Officer and person agree otherwise, the informal review shall take place within 30 days after the Control Officer's receipt of the request. The Control Officer shall arrange the date and location of the informal review with the person at least 10 business days before the informal review. The Control Officer shall review whether the amounts of time billed are correct and reasonable for the tasks involved. The Control Officer shall mail his or her decision on the informal review to the person within 10 business days after the informal review date. The Control Officer's decision after the informal review shall be final.

- 320** **HAZARDOUS AIR POLLUTANTS TIER 4 RISK MANAGEMENT ANALYSIS FEE:** If an applicant uses the Tier 4 method for conducting a risk management analysis (RMA) according to Rule 372 of these rules, the applicant shall pay any costs incurred by the Control Officer in contracting for, hiring or supervising work of outside consultants.

## **SECTION 400 – ADMINISTRATIVE REQUIREMENTS**

- 401** **EFFECTIVE DATE OF FEES:** The fees, except for the ~~emissions fee~~ emissions-based fee, in this rule ~~became~~ become effective ~~July 1, 2005~~ April 1, 2008. The revised ~~emissions fee~~ emissions-based fee ~~became~~ becomes effective January 1, ~~2006~~ 2009, beginning with the emissions reported for calendar year ~~2005~~ 2008.
- 402** **PAYMENT OF FEES:** All fees required by this rule shall be payable to Maricopa County Air Quality Department.
- 402.1** **Annual Administrative Fees:**
- a. Title V and Non-Title V Permits:** The Control Officer shall mail the owner or operator of a Title V or Non-Title V source an invoice for the annual administrative fee due under Sections 301.2 and 302.2 of this rule at least 30 days prior to the anniversary date of the permit.
  - b. General Permits:** The Control Officer shall mail the owner or operator of a source authorized to operate under a General Permit an invoice for the annual administrative fee due under Section 303.2 of this rule at least 30 days prior to the anniversary date of the authorization to operate.
- 402.2** **Gasoline Delivery Vessel Decal Fee:** Gasoline delivery vessel decal fee shall be paid at the time the application is submitted showing satisfactory test results and prior to the issuance of the decal required in the provisions of Rule 352 of these rules.
- 402.3** **Asbestos Removal Notification And Plan Review Filing Fee:** The asbestos notification and plan review filing fee shall be paid at the time the notification is submitted. The notification is not considered filed until the appropriate filing fee is paid.
- 402.4** **Other Fees:** Other fees shall be paid in the manner and at the time required by the Control Officer.
- 403** **FEE TABLE A, B, C, D, E, F, ~~AND G, H, AND I~~ SOURCES:** Fee Tables ~~A—G~~ A—I list processes and equipment subject to the fees outlined in Sections 302.2, 303.1, and 303.2 of this rule. For processes and equipment not listed below, the Control Officer will designate Fee Table A, B, C, D, E, F, ~~or G, H or I~~, as applicable. Sources reclassified to a higher fee table due to the receipt of ~~3~~ three complaints on different dates during a one-year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action shall remain in that fee table until two calendar years pass without complaints against the facility resulting in violations resolved by an order of abatement by consent or judicial action.
- 403.1** **Fee Table A Sources:**
- Aircraft Manufacturing
  - Chemical Manufacturing, Dry
  - Chemical Manufacturing, Liquid
  - Circuit Board Manufacturing ≥ Greater Than Or Equal To 5 Tons per Year VOC
  - Coating Line, Can/Coil/Fabric/Film/Glass/Paper
  - Ethylene Oxide Sterilization
  - Gypsum, Calcining

Incinerator, Medical Waste  
 Incinerator, Hazardous Material  
 Insulation Manufacturing  
 Jet or ~~Auxiliary~~ Auxiliary Engine Manufacturing  
 Non-Major Title V Source  
 Pesticide/Herbicide Production  
 Petroleum Loading Racks And Storage Tanks At Bulk Terminals  
 Pharmaceutical Manufacturing  
 Polymeric Foam Products  $\geq$  Greater Than Or Equal To 25 Tons Per Year Potential  
     Uncontrolled VOC Emissions Or Facility With Controls Subject To Source Testing  
 Power Plant  $\geq$  Greater Than Or Equal To 25 Tons Per Year Potential Uncontrolled NOx  
     Emissions  
 Printing Facilities  $\geq$  Greater Than Or Equal To 25 Tons Per Year Potential Uncontrolled  
     VOC Emissions Or Facility With Controls Subject To Source Testing  
 Rendering  
 Rubber Products Manufacturing  
 Semiconductor Manufacturing  $\leq$  Less Than 25 Tons Per Year Of Potential Uncontrolled  
     VOC Emissions  
 Solid Waste Landfill  
 Source Subject To BACT Determination  
 Source Subject To A MACT, NESHAPS Or NSPS Standard Under CAA Section 111 Or  
     112 Unless Otherwise Identified In Another Fee Table  
 Source With 3 Or More Fee Table B Processes  
 Vegetable Oil Extraction

**403.2 Fee Table B Sources:**

Aerospace Products Manufacturing & Rework Not Subject To MACT  
 Aggregate Screening  
 Animal Feed Processing  
 Auto Body Shredding  
 Bakery With Oven Of Greater Than Or Equal To 25 Tons Per Year Of Potential  
     Uncontrolled VOC Emissions Or Facility With Controls  
 Boiler, Gas Fired Or With Emergency Fuel Capabilities, (Each Unit  $\geq$  Greater Than Or  
     Equal To 10 MMbtu/Hr)  
 Chemical/Fertilizer Storage, Mixing, Packaging And Handling  
 Concrete Product Manufacturing  
 Cement Terminal  
 Cotton Gin  
 Cotton Seed Processing  
 Crematory  
 Cultured Marble  
 Fiberglass Product Manufacturing  
 Flour Milling  
 Foundry  
 Furnace, Metals  
 Furnace, Burn-Off  
 Furnace, Electric Arc  
 Furnace, Other  
 Gas Turbine, Non-Utility (Utility In Fee Table A)  
 Grain Cleaning/Processing  
 Grain Storage  
 Incinerator, Non-Hazardous Material  
 Internal Combustion Engine, Other Than Emergency  
 Metal Recovery/Reclamation  
 Pipeline Transmission Facility

Plating Tanks, Electrolytic ~~or~~ Or Electrowinning (Includes Decorative Chrome And Hard Chrome Operations  $\leq$  Less Than Or Equal To 60 Million Amp/Hrs Per Year Subject To Area Source MACT)  
 Polymeric Foam Products  $\leq$  Less Than 25 Tons Per Year Potential Uncontrolled VOC Emissions  
 Power Plant  $\leq$  Less Than 25 Tons Per Year Potential Uncontrolled NOx Emissions  
 Reinforced Plastics  
 Rubber Products Manufacturing With Only Molding  
 Soil Treatment/Remediation  
 Soil Solvent Extraction System With Package Thermal/Catalytic Oxidizer/Carbon Adsorption  
 Solvent Degreasing/Cleaning System, Solvent Use  $\geq$  Greater Than 3 Gallons Per Day  
 Solvent Reclaiming  
 Source With 3 Or More Fee Table C Processes  
 Stage I Vapor Recovery, Bulk Plants With Loading Racks  
 Stripping Operation, Equipment Or Furniture Refurbishment  
 Tire Shredding/Retreading  
 Wastewater Treatment Plant  
 Wood Coating Operation Subject To RACT Including Furniture/Millwork Sources Larger Than 10 TPY VOC  
 Any Fee Table A, F, or G Source Whose Aggregate ~~of~~ Of All Equipment, Processes Or Production Lines Has Enforceable Permit Limits of  $\leq$  Less Than 2.0 Tons Per Year VOC ~~or~~ Or NOx, ~~or~~ And  $\leq$  Less Than 1.0 Ton Per Year PM<sub>10</sub>  
 Any Fee Table C Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action

#### **403.3 Fee Table C Sources:**

Abrasive Blasting  
 Asphalt Day Tanker/Kettle  
 Cement Products Packaging/Distribution  
 Circuit Board Assembly  
 Circuit Board Manufacturing  $\leq$  Less Than 5 Tons Per Year Of VOC  
 Dry Cleaning (Includes Perchloroethylene Dry Cleaning Facilities Subject To Area Source MACT)  
 Emergency Internal Combustion Engine  
 Engine Testing  
 Food Processing  
 Incinerator, Paper And Cardboard Products  
 Injection ~~molding~~ Molding  
 Landscape And Decorative Rock, Gravel, And Sand Distribution  
 Laundry, Other Than Dry Cleaning  
 Miscellaneous Acid/Solvent Use  
 Packaging, Mixing & Handling, Granular Or Powdered Material Other Than Cement Or Grain  
 Petroleum Storage, Non-Retail Dispensing Operations Exempted From Stage I Vapor Recovery By Rule 353  
 Plastic Or Metal Extrusion  
 Plating, Electroless  
 Powder Coating  
 Printing Facilities  $\leq$  Less Than 25 Tons Per Year Of Potential Uncontrolled VOC Emissions  
 Semiconductor Lab/Testing/Services  
 Non-Halogenated Solvent Cleaning,  $\leq$  Less Than 3 Gallons Per Day  
 Solvent Storage/Handling  
 Spray Coating

Bulk Plant Loading Facilities As Defined By Rule 351, Section 305.1  
 Storage Tank, Non-Petroleum Volatile Organic Compounds  
 Stripping Operation, Liquid Chemical Groundwater/Wastewater Remediation  
 Vehicle Refinishing  
 Waste Transfer Facility  
 Water Reclamation  
 Sewage Lift Pump Station  
 Drinking Water Plant  
 Wood Furniture/Millwork/Small Source Less Than 10 TPY VOC  
 Yard/Stockpiling

**403.4 Fee Table D Sources:**

Service Station And Non-Resale Dispensing Operations  $\geq$  Greater Than 120,000 Gallons Per Year

**403.5 Fee Table E Sources:**

Fuel Burning Equipment

**403.6 Fee Table F Sources:**

Aggregate Production/Crushing Subject To An NSPS Under CAA Section 111

Hot Mix Asphalt Plants

~~Semiconductor Manufacturing  $\geq$  25 Tons Per Year Potential Uncontrolled VOC Emissions Or Facility With Controls Subject To Source Testing~~

~~Any Fee Table A Or G Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action~~

**403.7 Fee Table G Sources:**

Aggregate Production/Crushing Not Subject To NSPS Under CAA Section 111 Concrete Batch Plant

~~Any Fee Table B Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action~~

**403.8 Fee Table H Sources:**

Semiconductor Manufacturing Greater Than Or Equal To 25 Tons Per Year Potential Uncontrolled VOC Emissions Or Facility With Controls Subject To Source Testing

Any Fee Table A Or G Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action

**403.9 Fee Table I Sources:**

Any Fee Table B Source That Receives 3 Complaints On Different Dates During A One Year Period From Different Individuals Resulting In Violations Resolved By An Order Of Abatement By Consent Or Judicial Action

**SECTION 500 – MONITORING AND RECORDS (NOT APPLICABLE)**